

OGC Has Reviewed

LS 5-1585a

22 July 1955

MEMORANDUM FOR: Acting Chief, Eastern Europe Division

SUBJECT : Request for Contract as a Covert Associate
for [redacted]

25X1A

REFERENCE : Memorandum to SCAPS, Subject as Above, Dated
17 June 1955 from Deputy Chief, EE

1. The proposal to hire subject on informal detail as a covert associate is believed proper insofar as Confidential Funds Regulation [redacted] is concerned. However, it also invokes the application of the dual compensation statutes (5 U.S.C. § 58, 62, 69, 70), which state a number of restrictions against holding two offices with, or receiving two compensations from, the United States. The exact line drawn by these prohibitions has not been entirely clear, with the result that through the years these statutes have been the subject of numerous court decisions and opinions of the Attorney General and the Comptroller General. One rule which emerges from these decisions and opinions is that the services to be performed on the new assignment must not be added to or connected with the regular duties of the position already held. From the statement of the duties which the subject would be required to perform for CIA, as set forth in reference memorandum, and the statement of subject's present duties with [redacted] and his background and training, it seems inescapable that the services to be performed by the subject for CIA would in fact be added to and directly connected with his regular duties with the [redacted]. We therefore could not concur in the proposal as written.

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2. Several years ago, in a case similar to this one, a procedure was worked out which permitted this Agency to hire an employee of another department where the duties were considered as added to or connected with those he performed for his parent department. This procedure, which we think could be applied here, would require that CIA work out an arrangement with the [redacted] whereby time spent in preparing reports for CIA would be considered overtime for subject, for which the [redacted] would compensate at the appropriate rate. (The prohibition in [redacted] against the payment of overtime of course is not binding on [redacted]) CIA would then reimburse [redacted].

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3. Reference memorandum and attachments are returned herewith.

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Office of General Counsel

OGC:RHL:ss
Distribution

Orig. & 1 addressee

1. [redacted] [redacted] Chrono